REMARKS

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In accordance with the foregoing, claims 76, 77, 88, 89, 105, 106, 118, 119, 120, 121, 122, 125, 129, 136, 137, 138, 139, 140, 141, 142, 145, and 148 have been amended. Claims 101-104 stand in condition for allowance.

Claims 76-150 are pending and under consideration.

ENTRY OF AMENDMENT UNDER 37 C.F.R. § 1.116:

Applicant requests entry of this Rule 116 Response because the amendments of claims 76, 77, 88, 89, 105, 106, 118, 119, 120, 121, 122, 125, 129, 136, 137, 138, 139, 140, 141, 142, 145, and 148 should not entail any further search by the Examiner since no new features are being added or no new issues are being raised; and the amendments do not significantly alter the scope of the claims and place the application at least into a better form for purposes of appeal. No new features or new issues are being raised.

The Manual of Patent Examining Procedures sets forth in Section 714.12 that "any amendment that would place the case either in condition for allowance or in better form for appeal may be entered." Moreover, Section 714.13 sets forth that "the Proposed Amendment should be given sufficient consideration to determine whether the claims are in condition for allowance and/or whether the issues on appeal are simplified." The Manual of Patent Examining Procedures further articulates that the reason for any non-entry should be explained expressly in the Advisory Action.

FOREIGN PRIORITY BENEFIT:

In the response filed on April 21, 2004, Applicants requested that the claim for foreign priority under 35 U.S.C. § 119 be acknowledged. However, upon review of the final Office Action, no acknowledgment or response to our request was made.

In essence, we indicated in the response filed on April 21, 2004, that foreign priority benefit under 35 U.S.C. § 119 was claimed on April 16, 2001 to Japanese Application No. 9-

264839, filed September 10, 1997 and Japanese Application No. 10-94592, filed April 7, 1998. A certified copy of the priority document was filed in the parent application U.S. Serial No. 09/348,166 76 with Examiner Jeffrey S. Leaning in Group/Art unit No. 2131.

Further, on January 28, 2004, Applicants' representative conducted a telephone conference with Examiner LaForgia and explained to him that according to the rule, since we submitted the acknowledgment in the application transmittal sheet, we do not need to provide the same information in the declaration. Examiner LaForgia explained that he must have overlooked the transmittal sheet and that, accordingly, we may consider the application in compliance with the rule and no further action is required.

Applicants respectfully request that the foreign priority benefit be considered and acknowledged.

REJECTION UNDER 35 U.S.C. § 102:

In the Office Action, at page 3, claims 76, 78, 80, 81, 84, 85, 87, 88, 90, 91, 93, 94, 97, 98, 100, 105, 107, 108, 110, 111, 114, 115, 117-121, 123, 124, 125, 127, 129, 136, and 142-150 are rejected under 35 U.S.C. § 102 in view of U.S. Patent No. 5,970,146 to McCall et al. ("McCall"). This rejection is traversed and reconsideration is requested.

McCall generally describes a data encrypted touch screen that is used to input a personal identification number (PIN). See column 4, lines 21-43.

However, McCall fails to teach or suggest, "specifying member comprises perforations or projections specifying the plurality of discontinuous different coordinates," as recited in independent claims 76, 88, 105, 118-121, 125, 129, 142, 145, and 148. Rather, once a card is read, a video keypay image 26a is displayed, the PIN is entered, and the PIN is processed and exchanged between the DES module 18 and the system controller 16. Nothing in McCall teaches or suggests the recitations of the specifying member of the presently claimed invention.

Because independent claims 88, 105, 118-121, 125, 129, 142, 145, and 148 include similar claim features as those recited in independent claim 76, although of different scope, and because the Office Action refers to similar portions of the cited references to reject independent claims 88, 105, 118-121, 125, 129, 142, 145, and 148, the arguments presented above supporting the patentability of independent claim 76 are incorporated herein to support the patentability of independent claims 88, 105, 118-121, 125, 129, 142, 145, and 148.

Accordingly, in view of the foregoing, it is respectfully requested that independent claims

76, 88, 105, 118-121, 125, 129, 142, 145, and 148 and related dependent claims be allowed.

REJECTION UNDER 35 U.S.C. § 103:

In the Office Action, at page 8, claims 77, 89, 106, 122, and 137-141 are rejected under 35 U.S.C. § 103 in view of U.S. Patent No. 4,656,662 to Filliman et al. ("<u>Filliman</u>"). This rejection is traversed and reconsideration is requested.

<u>Filliman</u> generally describes a recording instrument for receiving positional data from a display device, moving the recording instrument, providing both coarse and fine positional information to provide precise positional information, averaging a plurality of times of precise positional information, and collecting and compressing a plurality of the averaged items. <u>See</u> column 1, lines 26-67.

However, <u>Filliman</u> fails to teach or suggest, "said specifying member comprises perforations or projections specifying the plurality of discontinuous different coordinates," as recited in independent claim 77. Rather, <u>Filliman</u> describes that the recording instrument <u>is moved</u> in a unique patter to provide both coarse and fine positional information. Nothing in <u>Filliman</u> teaches or suggests the recitations of the specifying member of the presently claimed invention.

Because independent claims 89, 106, 122, and 137 include similar claim features as those recited in independent claim 77, although of different scope, and because the Office Action refers to similar portions of the cited references to reject independent claims 89, 106, 122, and 137, the arguments presented above supporting the patentability of independent claim 77 are incorporated herein to support the patentability of independent claims 89, 106, 122, and 137.

Accordingly, in view of the foregoing, it is respectfully requested that independent claims 77, 89, 106, 122, and 137-141 and related dependent claims be allowed.

In the Office Action, at page 10, claims 79, 82, 83, 86, 92, 95, 96, 99, 109, 112, 113, 116, and 126 are rejected under 35 U.S.C. § 103 in view of U.S. Patent No. 5,970,146 to McCall et al. ("McCall"). This rejection is traversed and reconsideration is requested.

The arguments presented above are incorporated herein to support the patentability of claims 79/76, 82/76, 83/76, 86/76, 92/88, 95/88, 96/88, 99/88, 109/105, 112/105, 113/105, 116/105, and 126/121 over McCall.

Accordingly, it is respectfully requested that claims 79, 82, 83, 86, 92, 95, 96, 99, 109, 112, 113, 116, and 126 be allowed.

In the Office Action, at page 12, claims 130-135 are rejected under 35 U.S.C. § 103 in view of U.S. Patent No. 5,970,146 to McCall et al. ("McCall") and further in view of U.S. Patent No. 4,656,662 to Filliman et al. ("Filliman"). This rejection is traversed and reconsideration is requested.

The arguments presented above are incorporated herein to support the patentability of claims 130-131/76, 132/77, 133/89, 134/106, and 135/122 over McCall and Filliman.

Accordingly, it is respectfully requested that claims 130-135 be allowed.

As commonly understood, the Examiner bears the burden of establishing a prima facie case of obviousness based upon the prior art..."[the Examiner] can satisfy this burden only by showing some objective teaching in the prior art or that knowledge generally available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references." In re Fritch, 23 USPQ 2d 1780, 1783 (Fed. Cir. 1992). In addition, the mere fact that the prior art may be modified in the manner suggested by the Examiner does not make the modification obvious unless the prior art suggested the desirability of the modification. Id. at 1783-84.

However, the Examiner has provided absolutely no motivation to arrive to the presently claimed invention. Rather, conclusive statements are made such as "there is knowledge generally available to those of ordinary skill in the art."

"Rejection of patent application for obviousness under 35 USC §103 must be based on evidence comprehended by language of that section, and search for and analysis of prior art includes evidence relevant to finding of whether there is teaching, motivation, or suggestion to select and combine references relied on as evidence of obviousness; factual inquiry whether to combine references must be thorough and searching, based on objective evidence of record." In re Lee 61 USPQ2d 1430 (CA FC 2002)

If the U.S. Patent and Trademark Office wishes to take Official Notice that the proposed

structural and functional modification is notoriously well known, we suggest requesting to the Examiner that supporting evidence be provided. The Federal Circuit has cautioned that an Examiner must show reasons that the skilled artisan, confronted with the same problems as the inventor and with no knowledge of the claimed invention, would select the elements from the cited prior art references for combination in the manner claimed. <u>In re Rouffet</u>, 47 USPQ2d 1453, 1458 (Fed. Cir. 1998).

Only the present invention sets forth all the claimed features, as well as the motivation for combining the same. The outstanding rejection would appear to have taken this teaching of the present invention and applied the same to <u>Filliman</u>, as set forth in the Office Action, to disclose the presently claimed invention. Applicants respectfully assert that the prima facie burden has not been met.

Accordingly, in view of the foregoing, it is respectfully requested that independent claim 101 and related dependent claims be allowed.

CONCLUSION:

In accordance with the foregoing, it is respectfully submitted that all outstanding objections and rejections have been overcome and/or rendered moot and further, that all pending claims patentably distinguish over the prior art. There being no further outstanding objections or rejections, the application is submitted as being in condition for allowance, which action is earnestly solicited. At a minimum, this Amendment should be entered at least for purposes of Appeal, since it either clarifies and/or narrows the issues for consideration by the Board.

If the Examiner has any remaining issues to be addressed, it is believed that prosecution can be expedited and possibly concluded by the Examiner's contacting the undersigned attorney for a telephone interview to discuss any such remaining issues.

Serial No. 09/835,128

If there are any underpayments or overpayments of fees associated with the filing of this Amendment, please charge and/or credit the same to our Deposit Account No. 19-3935.

Respectfully submitted,

STAAS & HALSEY LLP

Date: 60 20,2004

By:

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